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7 SYSTEM/WEST and FEATHER RIVER
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9 FEATHER RIVER

9 **UNITED STATES BANKRUPTCY COURT**

10 **NORTHERN DISTRICT OF CALIFORNIA**

11 **SAN FRANCISCO DIVISION**

13 In re:

14 PG&E CORPORATION,

15 - and -

16 PACIFIC GAS AND ELECTRIC
17 COMPANY

18 Debtors.

Case No. 19 - 30088 (DM)

Chapter 11
(Lead Case)
(Jointly Administered)

**STIPULATION AMONG THE
ADVENTIST HEALTH CLAIMANTS,
THE DEBTORS, AND THE AD HOC
GROUP OF SUBROGATION CLAIM
HOLDERS TO RESOLVE ADVENTIST
HEALTH CLAIMANTS' OBJECTION
TO SUBROGATION SETTLEMENT
AND RSA MOTION**

Related Docket No. 3992

- 23 ☐ Affects PG&E Corporation
24 ☐ Affects Pacific Gas and Electric
25 ☒ Affects both Debtors

26 ** All papers shall be filed in the Lead Case,
27 No. 19-30088 (DM).*

[No Hearing Date Requested]

1 PG&E Corporation and Pacific Gas and Electric Company, as debtors and debtors in
2 possession (collectively, the “Debtors”), Creditors Adventist Health System/West and Feather
3 River Hospital d/b/a Adventist Health Feather River, each a California religious non-profit
4 corporation (together, the “Adventist Health Claimants”), and the Ad Hoc Group of Subrogation
5 Claim Holders (the “Ad Hoc Subrogation Group”), by and through their counsel of record, hereby
6 stipulate and agree as follows:

7 RECITALS

8 WHEREAS, the Debtors filed a motion seeking approval of a restructuring support
9 agreement (the “RSA” and the agreement to resolve the subrogation claims described therein, the
10 “Subrogation Claims Settlement”) and a settlement with the Ad Hoc Subrogation Group [Dkt. No.
11 3992] (the “RSA Motion”). The RSA was thereafter amended, including on November 2, 2019
12 [Dkt. No. 4554] (together, with any further amendments, modifications, or supplements thereof,
13 including any future amendments, modifications, or supplements not requiring court approval, the
14 “Amended RSA”).

15 WHEREAS, the Adventist Health Claimants filed objections to the RSA Motion on October
16 16 and November 8, 2019 [Dkt. Nos. 4239 and 4637, respectively] (collectively, the “Objections”).

17 WHEREAS, the Debtors filed the *Debtors’ and Shareholder Proponents’ Joint Chapter 11*
18 *Plan of Reorganization Dated December 12, 2019* [Dkt. No. 5101] (the “December 12 Plan”)
19 addressing the Objections.¹

20 STIPULATION

21 NOW, THEREFORE, and subject to the approval of this Court, the Debtors, the Adventist
22 Health Claimants, and the Ad Hoc Subrogation Group hereby agree as follows:

23 1. The recitals set forth above are hereby incorporated by reference as though set forth
24 in full herein.

25 2. The Adventist Health Claimants hereby agree that their Objections to approval of
26 the RSA Motion and the Subrogation Claims Settlement are resolved as set forth herein.

27
28 ¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the December 12 Plan.

1 3. The Adventists Health Claimants hereby agree that the revisions to Section
2 4.19(f)(ii) of the Debtors' Plan (now set out in Section 4.18(f)(ii)), as filed with the Court in the
3 December 12 Plan, fully resolve and address the Objections of the Adventist Health Claimants to
4 the RSA Motion. The exception applicable to the Adventist Claimants as set forth in Section
5 4.18(f)(ii) of the Debtor's Plan shall be included in any further amendments to the December 12
6 Plan or any other amended plan proposed by the Debtors or the Ad Hoc Subrogation Group so long
7 as the Amended RSA remains in effect.

8 4. Nothing in the Amended RSA or this Stipulation shall obligate the Adventist Health
9 Claimants to execute and deliver a release or waiver of any claims against any present or former
10 holders of a Subrogation Wildfire Claim or its assignee(s) that insured the Adventist Health
11 Claimants, as a condition to entering into a settlement or other agreement with respect to its Fire
12 Victim Claims.

13 5. Except as provided herein with respect to Section 4.18(f)(ii), nothing herein shall be
14 deemed a waiver of any of the Adventist Health Claimants' rights and claims with respect to settling
15 any claims against the estates, or with respect to the December 12 Plan or any other chapter 11
16 plan, including, without limitation, the right to vote for or against any plan or object to confirmation
17 of the Debtors' or any other parties' proposed plan, or to timely object to the motion filed by the
18 Debtors for approval of the Restructuring Support Agreement entered into by and among the
19 Debtors and the Official Committee of Tort Claimants [Dkt. No. 5038].
20

21 Dated: December 17, 2019

RESPECTFULLY SUBMITTED:

NORTON ROSE FULBRIGHT US LLP

23 By: /s/ Rebecca J. Winthrop
24 REBECCA J. WINTHROP

25 Counsel for Adventist Health
26 System/West and Feather River Hospital
27 d/b/a Adventist Health Feather River
28

1 Dated: December 17, 2019

WILLKIE FARR & GALLAGHER LLP
DIEMER & WEI LLP

2
3
4 By: /s/ Matthew A. Feldman
MATTHEW A. FELDMAN

5 Counsel for the Ad Hoc Group of
6 Subrogation Claim Holders

7 Dated: December 17, 2019

WEIL, GOTSHAL & MANGES LLP
KELLER & BENVENUTTI LLP

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9 By: /s/ Matthew P. Goren
MATTHEW P. GOREN

10 Counsel for the Debtors and Debtors in
11 Possession
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